Technological environment and financial norms, greater outlay for educational software, internet, teacher training, stationery etc.

Block grant Scheme for IITs/IIMs

37. SHRI R. P. GOENKA:
SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI K. RAMA MOHANA RAO:

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) whether it is a fact that recently a proposal has been formulated to replace the hitherto prevalent formula-linked grants to certain institutes of higher learning, like the IITs, IIMs etc. by a modified block grant scheme, with a view to ensuring their greater financial and functional autonomy;

(b) if so, the details thereof and the present status of its implementation;

(c) the details of any fresh guidelines laid down for a review of the pattern of funding; and

(d) whether any stipulation has been put, say if the corpus reached to a certain level, the scheme would be withdrawn from that particular IIT or IIM?

THE MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (SHRI MD. ALI ASHRAF FATMI): (a) Yes, Sir.

(b) and (c) The Scheme of Block Grant (Non-Plan Grant) now being introduced will remain operative for a period of five years from 2005-2006 to 2009-2010 in respect of the followig Centrally funded Institutes:—

(i) India Institutes of Technology at Bombay, Delhi, Kanpur, Kharagpur, Madras, Guwahati, Roorkee;

(ii) Indian Institutes of Management at Ahmedabad, Bangalore, Kolkata, Lucknow, Indore and Kozhikode;

(iii) Indian Institute of Science, Bangalore;

(iv) Indian School of Mines, Dhanbad;

(v) National Institute of Industrial Engineering (NITIE), Mumbai;

(vi) National Institutes of Technical Teachers Training & Research (NITTTR) at Bhopal, Chandigarh, Chennai and Kolkata;

(vii) School of Planning and Architecture, New Delhi.

The base year for determining annual grant-in-aid under Non-Plan in respect of the above institutes from **2005-06 to 2009-10** shall be **2004-2005.** The grant-in-aid sanctioned to these Institutes in the year 2004-2005 shall be inclusive of unspent balance adjusted/permitted to be carried forward for utilization during 2004-2005. These Institutes shall be allowed to retain the Internal Revenue/Income generated by them and their entitlement for annual grant-in-aid during the Block Grant period shall not be adjusted against any increase in income. Special grants shall be provided as *"force majeure"* in the event of revision of scales of pay and other unforeseen events. The ***force majeure*** clause will, however, not be invoked for any increase in rate of Dearness Allowance/Dearness Relief payable to employees/pensioners of the Institutes.

(d) The Government would provide *matching grant* equivalent to the annual savings from the regular non-plan grant and other receipts including internal revenue and earnings from consultancy, entrance examination like JEE, CAT etc. and other continuing education programmes but, excluding receipts earmarked for designated purposes in accordance with the terms & conditions of such donations with due approval of the Finance Committee & Board of Governors. **The matching grant would be available till the Endowment Fund has reached the level of Rs. 100 Crores for each Institute in respect of IITs/IISc and Rs. 50 crore in respect of IIMs and other Institutes.** Matching grant equivalent to the total savings transferred to the Endowment Fund in a financial Year shall be sanctioned to the Institute in the following financial year. Institute having funds in excess of the ceiling as prescribed above may utilize the same for infrastructural development. The proceeds from the Endowment Fund by way of interests earned annually would be available to the Institutes for supplementing the plan grant being given by the Government and if required, for meeting essential operational expenses. There is no proposal at present to withdraw the Scheme on reaching the limits prescribed for purpose of sanctioning matching grants.